BEFORE THE UNITED STATES
DEPARTMENT OF ENERGY
OFFICE OF ENVIRONMENT, SAFETY AND HEALTH
WASHINGTON, D.C.

ORIGINAL

IN THE MATTER OF THE FEDERAL REGISTER NOTICE: Draft Notice of Availability Of Funds and Request for Applications for the Department of Energy Medical Program in the Republic of the Marshall Islands	Notice No. 62 FR 29125

TRANSCRIPT OF PROCEEDINGS
TUESDAY, JULY 8, 1997
PUBLIC MEETING ON THE
MARSHALL ISLAND MEDICAL CARE PROGRAM

DEPARTMENT OF ENERGY
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OAKLAND, CA

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A P P E A R A N C E S

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Senator Riklon
Mayor Matayoshi

Interested Parties:

Mr. Gregory Beattie, Mercy International
Dr. Ashok Vaswani, Brookhaven National Lab
Ms. Denise V.K. Kekuna from Straub Clinic & Hospital
Dr. Victor Williams

I N D E X

JULY 8, **1997** **9:15 A.M.**

P R O C E E D I N G S

MR. BARSS: We're running a little bit behind, but we'd like to start the meeting now if we could. I have a general announcement before we start. I'm Neil Barss from the Office of International Health Programs, and I actually wrote the notice on the draft on the availability of funds, which we're going to discuss this morning. And, basically, I want to say, just make sure everybody has signed in at the desk, if you have not already. Restroom locations are -- go back out the way you came. The women are to the left, and the men are to the right. So if anyone needs to do that you know where they are now.

During the meeting we will be using roving microphones, and there will be some people who will actually bring the microphone to you. So, please, just identify yourself if you want to make a statement or any comment at this meeting and use the microphone. The reason why we're using the microphone is because we are actually going to have an official transcript made of the meeting. And, basically, that transcript will be available after 10 days from the meeting. So anybody who wishes a copy of that, please contact me at

the place of contact that is given in the draft notice, if you don't know how to do that already. I would appreciate that.

When you -- because this is being transcribed, we would ask that you would identify yourself and spell your last name when you're using the roving mike so that our transcriptionist can get it down correctly.

There is an overhead projector available for anyone who has brought slides, for those who have requested to make a 5 minute statement or presentation. Due to the nature of the number of people that are attending, we can relax that 5 minute rule, but, probably, we don't want people speaking all day. so I think I'll leave this up to Dr. Seligman to be the judge when we must move on.

Now, with that, I would like to introduce Mr. Martin Domagala who is the Deputy Manager of the Operations Office, which is hosting us today; and he will welcome us and initiate the meeting.

Mr. Domagala?

MR. DOMAGALA: Good morning, and thank you, Neil. On behalf of, Jim Turner, our manager, I wanted to welcome all of our guests and members of the public to this special meeting that was driven by the Federal

Register notice on the Marshallese Medical Health Care Program. We do have some guests that appear to be arriving right now. So I'm going to stretch out my remarks a little bit so that, hopefully, they'll be able to catch some of the remarks, particularly those by Dr. Seligman, who will be following me shortly.

For those of you who may not know it, the Oakland Operations Office is one of 10 operations offices around the United States. And we have about 1.8 billion dollars of federal funds that float through our organization, mainly through our national laboratories located here in the Bay Area. That's the Lawrence Berkeley National Laboratory, the Lawrence Livermore National Laboratory, and the Stanford Linear Accelerator Center. We also house here in our Oakland Office the Western Contract and Grant Center for the Agency, one of two primary grant centers for the agency. And we will be, in effect, letting the cooperative agreement that's behind the Federal Register notice. We have anywhere from 6 hundred to 8 hundred grants that we issue every year out of our grant center. We administer about 16 hundred grants per year. We are very, very service oriented in our office. We're here to service two primary clients today. One of our clients is the ESH folks from our

colleagues in Washington, Environmental Safety and Health Organization, and our other client, I think, today is the Marshallese people, those from Rongelap and Utrik who are under the medical care program.

I understand that the Agency over the last couple of years has been making a more efficient -- making a move toward more efficient services, medical services to the Marshallese Island people. I think that's great. I think under these tight budget times we have to stretch our dollars as far as possible. And I think there is a need here, whereby; the Marshallese as well as headquarters has realized we need to put more dollars into the medical care program and less into the logistical services to kind of stretch those dollars.

So on behalf of the Oakland Office, I would like to welcome you all here. We'll be here to service you all day today. We have people here who meet your needs. If you have to make any phone calls and so forth, please contact either Carol Werd or Lauren.

Again, welcome to you, and let me turn this over to Dr. Seligman.

DR. SELIGMAN: Thank you. On behalf of the Office of Health Studies and the Office of Environmental Safety and Health, I welcome you all to

this meeting. We'd like to thank the Oakland Operations Office for providing us a very nice meeting place and for hosting us today. Thank you very much.

I'd like to just take a quick moment to introduce some of the Department of Energy staff, my staff here today, so that you recognize them in the audience. And then we'll give Ambassador de Brum from the Marshall Islands an opportunity to make an opening statement.

Let me just start by first introducing the Director of the Office of International Health Studies, Frank Hawkins. Frank, you want to stand up? Sitting next to Frank is our field representative for that program, Bill Jackson, manager of the program. Also, in the back there is Dr. Michael Montopoli from our office; Tom Bell, who most of you should know; and from the office of General Counsel, Diana Clark. Then immediately to my left from our Office of Budgeting Administration, Dr. Updegrove. And also we have two individuals from the Oakland Operations office who will be working with us and handling the processing. And, oh, there's Neil Barss. I'm sorry, I didn't see you, Neil.

MR. BARSS: Thank you.

DR. SELIGMAN: He was making the opening

comments. Then we have two individuals from the Oakland Operations Office, Joan McCrusky and Jerry Acock, who will be working closely with our office once the final selection is made, to insure that the procurement is handled appropriately and the financial arrangements in the program are handled expeditiously.

Before I make some opening remarks, I'd like to turn the floor over to Ambassador Banny de Brum from the Marshall Islands. Banny, do you have something you'd like to say?

AMBASSADOR DE BRUM: Can I give the floor first and then -- since you have the rules of this meeting?

DR. SELIGMAN: Sure.

AMBASSADOR DE BRUM: And then I'll call out in brief?

DR. SELIGMAN: That's perfectly fine.

AMBASSADOR DE BRUM: Thank you, sir.

DR. SELIGMAN: Okay. For anyone that didn't know, that's Ambassador de Brum who is the Marshall Island Ambassador to the United States. And to the Ambassador's immediate left is Holly Barker. And what is your official title?

MS. BARKER: It depends on the day.

(Laughter)

DR. SELIGMAN: She is at the U.S. Embassy. Again, on behalf of my office, I would like to welcome you all and thank you for being here. In particular, I'd like to thank the senators and mayors and the citizens from both Rongelap and Utrik who are here.

In particular from Rongelap, I wanted to recognize Senator Riklon, who is here and Mayor Matayoshi. Thank you both for being here, and from Utrick, Senator Yamamura.

MR. YAMAMURA: We have a new mayor here.

DR. SELIGMAN: Mayor Joe Saul. He's back over there sitting next to Senator Riklon.

Thank you all for being here. Again, we look forward to your perspectives and input into this meeting. My opening comments are brief. As Neil pointed out, and I just want to repeat for those who have just arrived, the goal of this meeting is to hear comments and to answer any questions on the Draft Notice of Availability Funds that was published in the Federal Register. As you will note, on the stage we have a court transcriber who will be transcribing verbatim the proceedings of this meeting. So, please, use the microphone for any comments which you make, and also, identify yourself before you speak. We will be making that available to anyone who wishes a

transcription of this meeting within -- I guess, it's 10 days following this meeting. So please let us know if you'd like such a transcription.

There have been four organizations that have requested an opportunity to make a statement at the beginning of this meeting. We will honor that request, at which point we will turn over and open up the floor.

You'll notice that the agenda calls for my making closing remarks at noon to 12:15. However, if there is need or desire to continue the discussion after lunch, we will be here starting again at 1:30, and we'll continue the discussion for as long as we need to today until we have answered all the questions and heard all the comments that wish to be made.

As most of you realize, the background of this program is well described within the Federal Register Notice. I don't need to go through that. The immediate genesis of this meeting and this announcement comes from a January 1997 meeting that occurred in a Majuro at which time the Foreign Minister for the Marshall Island, Phillip Muller, requested the Department of Energy put open a competitive bid for the medical program that the Department of Energy has been running to provide contracts to Brookhaven National Lab for close to 40 years.

We have, second to that process, established a working committee with the representatives of the peoples of the Marshall Islands to, basically, come up with what is prepared in the Federal Register, which is -- I want to emphasize again, a Draft Notice of Availability.

We do want to use this meeting to hear your comments, make any modifications, if any, changes that are necessary to that draft notice, in order that when the final notice is published sometime in August, that we, hopefully, get it right.

This is an important program for us. It's important that it be done well, and it's particularly important that the program be designed to serve the needs of individuals for whom we provide medical care, the peoples of Rongelap and Utrick, who have been designated eligible for this program. With that, I really have no other comments to make.

Ambassador de Brum, if you would like to make a statement now, you're welcome to do so. If not, we can carry on.

AMBASSADOR DE BRUM: Thank you, Paul Seligman, and the members of your foundation. Thank you for listening to our concern. The reason me and my government are pushing for change is because the

community, as we recently stated, they feel like they are not happy with the present program. We can do better in ways to move toward community peace. Here are our goals that will treat the Marshallese and improve our infrastructure. And this is a brief remark that I wanted to make. But I think the Rongelese leaders might have something to say. Thank you, Dr. Paul.

DR. SELIGMAN: Thank you, Ambassador. Would any of the senators or mayors from either Rongelap or Utrick like to make a statement at this time? This is Mayor James Matayoshi.

MAYOR MATAYOSHI: Dr. Paul Seligman and members of the panel, first of all, I'd like to introduce one of our paramount chiefs who is present here today, Eroch Micacabuwa, who has taken an interest and wanted to observe this meeting and the kind of changes that affect our people; and Gordon Benjamin and our Attorney Howard Hills, who I may yield the floor to who wants to say something, comments on our behalf, which he can articulate what we have in mind.

Basically, like we have been pursuing for many years, the kind of changes that Ambassador de Brum was highlighting is what we stick by. And I'm looking at the agenda that reflects Brookhaven National

Laboratory as an interested party to it. And it kind of like puts us in question, because we thought Brookhaven National Laboratory wasn't going to be any party to it or the process of submitting the proposal for being the contractor as well as take care of the medical program in the Marshall Islands. Our goal is to make a change that will better the medical programs for the people that have been affected by the nuclear testing programs. Of those kind of changes, we expect these are the three people -- the parties that have shown interest like Mercy International and the other People, like Straub Clinics. And those are part of our concern that we would like to question also. But I'll yield the floor to Howard Hills who will reiterate some of our thoughts that we discussed earlier today. Thank you.

MR. HILLS: Thank you, Mayor.

We had a delegation meeting this morning, and everybody had an opportunity to express their views and ask questions. And as we walked over here, the Mayor informed me that the task of articulating a few of those viewpoints and questions would fall to me. And so, I undertake it willingly and gladly. I also want to recognize that left out of the introductions, as the Mayor just reiterated it, the presence of Eroch

Micacabuwa, I think is very significant, I think, along with Senator Riklon and the senators from Utrik and the mayors and members of councils and members of the community that are here. I think that their presence reflects the fact that they recognize that this is a very serious process, and it's being done very well by DOE. And I think there's a lot of appreciation for the fact that DOE is doing it well. It doesn't mean that from what I heard from the discussion this morning that they like everything that's in the Federal Register or they like everything that's been said or done in the process. But I think they recognize it as a conscientious, serious and sincere process, and that's why they've brought their paramount traditional leaders here and their elective leaders. And they're taking this very seriously and view it as something with a lot of importance.

I think that the main idea that was expressed this morning and represented a strong consensus view of everybody in the delegation. And if I misspeak and overstate it, please correct me. But I think the main idea that was expressed was that; one, they want Marshallese participation in the process to be real, to be substantive, to be material to the decision-making process. And they want that involvement to be on a

basis that they agree to and is a meaningful role for them in the process. And I think they're optimistic and hopeful and have every reason to expect that that will be the case.

I think the other thing, as the mayor was alluding to, I think there is a very strong feeling that a new program be one which is community-based, which is year round. Again -- and I'm identifying those as issues. I'm not staking out a position or trying to describe their position or how the end result would come out. But I'm saying those are issues and concerns that they have, that it be a program that begins a new era in their relationship with their medical providers and it be one that ends the legacy of the nuclear testing program and the medical care that was provided, basically, as an adjunct of the nuclear testing program and begin a new era and a new legacy that is based on trust and on confidence of the communities that they're receiving medical care based on their medical needs and that they're not be any other criterion for the medical care of an individual who receives it. And so the elements of confidence building and trust, and, specifically, that whoever is going to end up being the provider, be able to demonstrate the capabilities, the attitudes of the

methodology, the approach, the medical ethics that build trust and build confidence and establish trust.

And I guess that, parenthetically, you would have to add there that that's not the way that they feel about the medical program they have had in the past. They want the legacy of the Brookhaven Program and the abuses and the trauma and the cultural dislocation and the individual psychological and emotional burdens that have been borne by people in the community, that it be recognized that the legacy of the past is not a positive one. So they want to end that legacy and begin anew. And I think the last thing that I would say is that, in addition to the appreciation that everybody has for the job DOE and the process that DOE has created here which shows respect for the government of the Marshall Islands response to Minister Muller's request and the request of the RMI. As such, I think that the DOE is acting in a very responsible and credible way and should be commended in that regard. I think that we wanted to express that to each of the interested parties, to Mercy, Straub, to Mr. Hiner and Dr. Williams. And as the Mayor noted, they had, at one point in the process, been given the impression that Brookhaven would not be, but Brookhaven is here. But with respect to all of the interested

parties, I think we wanted to welcome them, express our appreciation for their interest. We look forward to getting to know them better. There was talk this morning about whether it would be appropriate to invite them to visit the Marshall Islands, in the case of Rongelap, perhaps go to Mejatto and visit the community in Majuro and in Kwajalein. And the idea was expressed that if these interested parties were to pursue applications and pursue this project, that coming there and seeing the people and meeting the people and seeing the community where they live would not only give them additional information that they would need for preparing an application, but perhaps give them a sense of the moral as well as the medical dimensions of the mission. So those, Mayor, are my comments. I don't know, Senator Riklon, if there's anything you wanted to add. Or Ambassador de Brum, is there anything I missed?

AMBASSADOR DE BRUM: I don't think so.

MR. HILLS: Well, the Mayor wanted me to emphasize -- I was referring earlier to wanting the participation of the Marshallese parties to be meaningful and substantive. I think the Mayor wanted to note that the design of the selection panel and the membership of the selection panel and the composition

of the selection panel are issues which we want to be involved in and be participating in that as well.

Holly, does that accurately cover that?

MS. BARKER: Yes.

MR. HILLS: So, Mayor, does that cover the ground there?

DR. SELIGMAN: Any other comments from the Marshallese delegation? Hiroshi Yamamura, thank you for being here. We appreciate your presence.

SENATOR YAMAMURA: Thank you. When I listened to what the Mayor of Rongelap said and Ambassador de Brum along with Mr. Howard Hills, we just have three comments on our previous provider, Brookhaven. All we want is to have the people of Utrik be treated as a patient and not as a research client. So to elaborate more on the comments from our side, I will have to yield the floor to our new legal counsel, which we appointed by the Interglobal Government Council. His name John Masek, the former attorney general for RMI.

DR. SELIGMAN: Thank you senator. Can you state and spell your name again?

MR. MASEK: Yes. My name is John Masek, M-a-s-e-k.

We'd like to thank the DOE for putting this

program together and giving us a chance to speak on this matter. We have reviewed your RFP. Our new Mayor, Mr. Joe Saul, is here with us today. The areas that we find of importance are primarily focused on the relationship between provider and the patients themselves.

First of all, we find the area that is directly affected should be expanded to include those members into the community who lived on Utrik very shortly after the blast, as well as those who were present during the Bravo shot itself.

We have the term, "directly affected by radiation," those who were living in the area the months, the years afterward, were also directly impacted. Beyond that, we're hoping that the new provider will administer the program with a greater degree of flexibility and responsiveness in terms of the patients themselves. We feel both the well being of patients and the effectiveness of the program will be directly impacted on how well they are able to interact and understand the concerns of their patients.

We applaud the RFP where it puts greater emphasis on primary care and less on administration. The benefits of that should be self-relevant to everybody. It should deliver a better product for the

patients, and we're hoping with our new administration that we will be able to take a more active role in the program involving Utrik, and also a greater degree of responsibility in terms of delivering this program and others to the people.

And also, we were hoping to see greater coordination, cooperation with the 177 Health Care Program based in Majuro. As we see it, the 177 and these programs are, essentially, delivering a comparable service, that is, medical care for people affected by the nuclear testing program. And we're hoping any overlap or duplication can be eliminated.

And finally, we would just like to thank you again for the opportunity to make these comments and hope that the bidders will accommodate our concerns and interests when they make their presentations. And, finally, on the selection committee, the selection process, if Utrik as well as Rongelap could have a voice in that process, it would be most appreciated. Thank you, again.

DR. SELIGMAN: Thank you, very much. Any other comments or statements? I think what we'll do then is to move on to that portion of the program where we have the four groups that indicated an interest in making 5-minute statements. What I have done is taken

those and put them in a little box, and I'm going to randomly select.

Actually, Rick, why don't you do this? I have first Mr. Mark Hansen and Dr. Victor Williams. Are either Mr. Hansen or Dr. Williams here?

DR. WILLIAMS: Can I stand here and make my remarks?

DR. SELIGMAN: Wherever you like. Since this is being transcribed, it makes no difference.

DR. WILLIAMS: Good morning. I'm Dr. Victor Williams. I also have a Samoan name; I'm a chief in the Samoan community. My last name is Tofaeono.

DR. SELIGMAN: Could you spell that for the transcriber?

DR. WILLIAMS: T-o-f, as in Frank, a-e-o-n-o. It's a pleasure to be here. Thank you very much to the DOE for the invitation and also my respects to the various members of the Marshallese Territories and Republic. I was interested in this because I think that my experience in the Samoan medical field, medical care, has provided me with the experience to care for people of the Marshallese. Many of the problems that I have read about are some of the same problems that we have faced in Samoa. As you might know, Samoa is a territory of the United States. It's managed by the

Department of the Interior. It has very many of the same problems that come with funding programs and also trying to care for all the people in Samoa, in Samoa itself. And then, of course, a large part of the budget is the off-island care that they have to go through to get people to be treated properly.

Just a little bit about myself. I'm Samoan. I was trained in Samoa through high school, went to the United States for my bachelor's degree at the University of Illinois. And then I trained at Boston University School of Medicine and did five years of residency and internship in general surgery. I'm a general surgeon. I'm the president of the local chapter of the American College of Surgery in Nevada. I practice in Las Vegas, Nevada. I own one of the breast centers, three breast centers in Las Vegas. I own one of them and am directly involved in cancer care for women. I just wanted introduce my interest.

By being Samoan I feel that I can provide a great deal of health to the Marshallese and would know how to handle a program of this magnitude. Part of my program in the past 8 years has been taking the Nevada physicians -- we have a group of Nevada physicians that we call the American Samoan Medical Team that we take to Samoa each year for the past 8 years. We have about

8 to 10 members in the team of all different specialties, and we go and work in the Samoan community for about two weeks. This is all done gratis. The physicians that go are all my friends, and they volunteer readily to go.

So without further comments, I'd just like to say that I'm very deeply interested in this program. I think I can do credit to the program, and I think I know, as a Samoan chief, how the population of the Marshall Islands should be dealt with and should be treated. I think I know how their philosophy and their thinking goes.

Thank you, very much. I'll be glad to answer any questions anybody has.

DR. SELIGMAN: Dr. Williams, thank you for your statement. All right. Let's go on to the next statement. I have Mrs. Denise Kekuna. Kekuna?

MS. KEKUNA: Kekuna.

DR. SELIGMAN: From the Straub Medical Hospital.

MS. KEKUNA: Yes. I would like to do a little presentation. While he is adjusting that, Aloha. My name is Denise Kekuna. I'm with Straub Clinic and Hospital located in Honolulu, Hawaii. My position is liason for the Pacific Islands Medical

Services Department. I have been with Straub for over six years. I began in the administrative offices, and then in the last two years in the PIMS Department.

First of all, can everybody hear me?

THE REPORTER: I think the mike is a little low.

MS. KEKUNA: Can you hear? Or I need to yell? I did bring some reading material with me. I have two brochures depicting Straub's history and also details about our PIMS Department. They're located up at the front desk. For the next few minutes, I will be be reviewing Straub's history and present day services. Straub Clinic and Hospital is known as one of the oldest and largest private group medical practices in Hawaii with approximately 200 physicians, 1,800 employees. We're a 159-bed hospital and have 11 satellite clinics. Our goal is to provide the highest quality health care services in a compassionate, caring environment at a reasonable cost. Straub's responsiveness to the community creativity in developing new programs to address the needs of Hawaii's people has earned us a reputation as an innovative health care leader.

Although the majority of our patients are Hawaii residents, we routinely treat people from

Pacific Island countries and Asia, as well as visitors from all over the world. It started over 75 years ago when Dr. George F. Straub devoted his medical practice to a mission to bring together a group of doctors to provide the first medical care available. The physicians who joined him in this endeavor were the finest in the islands, each of them sharing Dr. Straub's conviction that the patient always comes first. Not long after, the clinic, as his practice was called, became the medical care provider of choice in Hawaii. For almost four generations the physicians and staff at Straub have clung to the course chartered by their visionary founder. As a result, Straub has become an internationally acclaimed medical facility and the largest integrated health care system based in Hawaii.

By 1932 there were 9 doctors and a staff of 14. Today, Straub is proud to offer patients the most up-to-date procedures in nearly every field of medical practice. To name a few, cardiology, cardiovascular surgery, chest disease, endocrinology, geriatric medicine, infectious disease, neurology and neurosurgery, nuclear medicine, oncology and hematology, orthopedics and sports medicine rehabilitation, psychiatry and psychology,

rehabilitation therapy, surgery and vascular surgery.

In addition to general hospital care, Straub Hospital offers several specialty care programs such as: Anesthesiology, pain relief, burn unit, emergency services, intensive care unit, physical therapy, progressive care, rehabilitation therapy, social services, and discharge planning. The other services that we also provide are also available, not only to the patients, but our staff as well. And those are executive physicals, home health agency, international health care program, which also, our physicians and staff are fluent in other languages; Joslin Center for Diabetes at Straub; Ningen Dock Center, occupational health programs, outpatient treatment center for chemotherapy and transfusions, patient counseling, sleep disorders center, and Straub Pacific Health Foundation Research.

The Pacific Islands Medical Services began to formalize in the early 1980,s and was officially set up in 1986 under the direction of Dr. Henry Kressman. In the years that followed we have coordinated outpatient referrals and provided a Straub resource for Pacific Island patients, families and referral personnel. Along with our referral care service, we have specialized in our history in a rotating physicians

program, which has provided consulting services to American Samoa, Saipan, and Guam. To be specific, these are with whom we have formalized relationships with in the Pacific: L.B.J. Tropical Medical Center in American Samoa; Government Group Home, Commonwealth Health Center and Medical Offices of the Marshall Islands Program; Federated States of Micronesia National Health Providers Health Insurance Plan; Guam Department of Health and Human Services; Marshall Islands Social Security Administration; MIT Kwajalein and Multi-cover and State Wide Insurance plans located in Guam and in Saipan.

For your perusal there are two commemorative books that we have published, copies of books that we published in 1996 celebrating our 75 years of existence. This is one, the other is located up front. You are welcome to look at them, and if you want any copies for yourself, please let me know.

Thank you for your time. Aloha.

DR. SELIGMAN: Thank you very much, Mrs. Kekuna. The next speaker is Mr. Gregory Beattie from Mercy International.

MR. BEATTIE: Yokwe, (Hello in Marshallese) and good morning, everyone. I want to welcome members and representatives from the Republic of the Marshall

Islands, also to the Department of Energy. I want to thank you for giving us the opportunity to look at this RFP and consider the challenge of this health care delivery program.

Before I get started, I'd like to introduce two people from my staff, Mr. Allen Hutchinson, please stand up Allen. He is our Assistant Administrator of Chief Financial Office. Many of you know him. He's been in Majuro for two years with us now with the 177 Program. I'd also like to introduce another member of my staff, Redwin Lewis is a Business Development Specialist, and he's headquartered in Farmington Hills, Michigan.

This morning I'd like to do a couple of things, one is to give you an overview of Mercy as an organization and also tell you about our perspective and emphasize why we're unique and we think we're up to the challenge of this health care delivery program.

Mercy Health Services is actually one of the top ten health care delivery organizations in the United States. We have revenues of in excess of $2 billion dollars a year. The main core of that organization is a hospital system called Mercy Health Services, but in addition to the hospital system we have other organizations that support that hospital

system. We have Amicare Home Health Care, which is a company that specializes in delivering health care in the home setting. We have Harry Lidervelt and Associates, which is a physical therapy company. They do speech therapy, occupational therapy and rehab therapy. Mercy Alternative, which is also Mercy Health Plan, is a financing arm of our organization, and it's unlike an indemnity type of an insurance plan. It's a managed health care plan, an HMO, a health maintenance organization and a preferred provider organization. We also have a foundation that raises funds for worthy causes. We have an information systems division that specializes in computer applications for health care.

Mercy International is a subsidiary of the organization that does programs exclusively outside of the United States. And we have been working in the Marshall Islands since 1985, actually started assisting the government when the Ministry of Health transitioned the old Amerishoda Hospital to the new facility back in 1985. Mercy Services for the aging is our division that does nursing home type care. We have approximately 20 skilled nursing facilities in Michigan and Iowa. The Sisters of Mercy Health Care Corporation is the formal name of the hospital system and Benski Insurance Company is a medical malpractice insurance

company.

This is just sort of an organizational structure. We are in the states of Michigan, Iowa, Indiana, New York. Also, in addition, we have relationships with a hospital that we're managing in Nebraska.

In the United States our health care delivery system faces many of the challenges that we face in the Marshall Islands, and Mercy as an organization is moving toward a community health care system model. And we see that because in United States we've got to move our health care delivery from fragmentation to continuity, much like we see in the Marshall Islands.

We see separate health care delivery programs from the Ministry of Health, from the 177, from DOE, and it is fragmented. There is an overemphasis on acute care, and we've mentioned that this morning. Someone said we're glad to see a more focused effort on primary health care services. In addition, we've got to take a look at comprehensiveness of service and really getting into the community and talking about the population becoming responsible for their care.

I think we can do a better job. We can do a better job of teaching individuals about health care, about lifestyle issues, and things that will make them

healthier. Moving from cost uncertainty to cost predicability is a real issue that we face; also, in the United States, diffused accountability to focused accountability. I think that has an application in the Marshall Islands as well.

Again, three different health care programs, diffuse accountability. I think if we can integrate programs, I think we can focus on the accountability for health care services. There's a lot of integration challenges that we face. We do have waste and duplication because of different services. You know, coordination of tertiary care in Honolulu is one. We've identified that. That's been an ongoing issue.

If we can unify DOE's program, 177's Program, and coordinate that service in Honolulu, I think that we can improve the quality and we can reduce the cost. Mercy is committed to leading the evolution of health care in local communities through its health care ministry. We're sponsored by the Religious Sisters of Mercy Regional Community of Detroit. The sisters are very committed to serving persons that are economically and socially disadvantaged, and take it very seriously.

Our organization is largely nonprofit. That is, we don't have to bring in revenue to satisfy shareholders. Our revenues have got to be greater than

our expenses in order for us to continue the organization, but we don't have shareholders to satisfy. So we don't have a profit motive. The motives of the Sisters of Mercy are more service oriented.

I think we have a challenge to organize a community health care delivery system in the Marshall Islands, and I think that Mercy is uniquely suited to take what we know about health care delivery in the United States and help transfer that knowledge to the Marshall Islands. I think that in the 10 years that we have spent working with the Marshallese, I think we have a lot of success stories that we can point to.

A few comments about Mercy International. We have been providing management training and development services, supplies, other things, to many points around the world. This is a graphic representation of where we've been. You can see that our experience has been significant in Micronesia. We have done health care improvement projects in Guam, the Northern Mariana Islands, the Republic of Palau, American Samoa. We've also worked in Australia, New Zealand, Papua New Guinea, and in the Pacific. You can see we also have experience in Europe and Africa and South America.

A little bit about our perspective. We want

to serve as an enabler, as a teacher and a training organization to assist local health personnel to develop and improve their own programs. The health care program that I hope that we can deliver in the Marshall Islands is one that builds partnership with the various constituencies, the local community, the local Ministry of Health, the Department of Energy and the contractor.

I hope that we can build infrastructure and train Marshallese to render the program in the future. Mercy International regards human capital -- that is, the composite of intellect, ingenuity, technical skills and dedication -- as important to successful deliveries and is a tangible capital and we take that very seriously. We can't do it without the people. Mercy International believes training and technical assistance must be tailored to meet the needs, resources and belief structures of each culture.

We know that there are uniquenesses about the Marshall Islands that have to be considered, that have to be taken into consideration in designing and delivering a health care program.

Just a quick summary of Mercy International. There has been over a hundred short-and-long-term projects. Short-term projects meaning a month or less.

Longer term generally is a year. We have over 200 Mercy health services staff that have been utilized. There are about 25,000 employees in the Mercy organization. And through Mercy International, we solicit volunteers to send to foreign countries. These persons can range from doctors and nurses to medical records specialists, to computer specialists.

We had a number of those volunteers to serve the Marshall Islands. We had had a person from Mercy Information Systems, a computer expert, a microcomputer expert, develop a computer database for the 177 Program that has helped us immensely to automate our records system for the 11,000 people we're caring for in the 177 Program. Last summer we had an ENT surgeon volunteer to go to the Marshall Islands. And this particular physician did 25 thyroid surgeries. And again, it's on a volunteer basis. We identify opportunities in a particular location, we communicate that within our organization, and as volunteers come forward, we have them serve at that particular location.

Just a quick summary, key qualities of service. Again, we want to enable, teach, train, assist personnel to develop and improve their own programs. We want to make appropriate resources of

Mercy, the entire organization and its subsidiaries available to health care providers and sponsors in both developing and developed nations of the world. We look to provide short-term services including training in specialized studies. We have hosted foreign and nationals at our hospitals. We have trained persons in a variety of different capacities, from operating room technicians, to radiology techs, to persons that operate mammography services. We've had physicians that come for specialized training to our hospital facilities, just to name a few.

We also want to work with others who hold common values. I think everyone in this room is interested in a better health care delivery program. And we want to work with you all to make it better, because we can make it better.

I want to thank you all, and I look forward to the discussion and the questions. Thank you.

DR. SELIGMAN: Thank you, Mr. Beattie.

Dr. Vaswani?

DR. VASWANI: I am Dr. Vaswani from Brookhaven National lab, V-a-s-w-a-n-i. What I'd like to do is first of all thank the DOE for giving me the opportunity to come here. And I'd like to also thank in advance the esteemed people of the Marshall Islands

for listening to me.

First of all, I'd like to clarify a couple of things. The first thing I would like to do is to say that I am representing Brookhaven National Laboratory today because the Brookhaven National Lab people themselves were unable to come.

As you know, they are going through many changes themselves, and their entire leadership is actually looking for bids out in New York right now. So none of the members of the medical department could come today to accompany me here to wish you folks the best and also to talk about themselves. So for the moment, all I'm going to say is that I represent Brookhaven National Labs of the past, and for the future I'm going to be representing myself as an independent person who has participated in the Marshall Islands programs for many years.

So I'd like to give you a little bit of background about myself. I guess the Marshall Islands program has been going on for more than 40 years. And for about 7 years of the past I've volunteered as a physician to participate in the program, just to go there and help out with the routine things you've been hearing about here. I'm interested in the program as such. I'm interested in the humanity and the people

who are there. I'd like to help them out as a physician to take care of their basic needs that are arising. And, essentially, that was the kind of goal that we set out at Brookhaven to make the changes that were necessary to make this work.

So continuing that same theme, what I would add also is that the program that the Marshallese know about, the Brookhaven Program, actually does not exist any more, because there have been tremendous changes that the people at Brookhaven have authorized me to make, which have made the program completely different.

So I'd like to make that point very clear to all the members of the Marshallese that are here that, yes, you folks may have had some concerns about the Brookhaven Program, but the program as you knew it is really no longer in existence because of the major change in the emphasis.

And as of October 1st, or whatever the remainder of this next year is, I will be, basically, taking charge of the medical admissions that will be ongoing on the Marshall Islands.

So that's the basic first step that you would need to know. So that itself is a very dramatic change of the Brookhaven National Lab people. And, essentially, they have given me the charge to make

whatever changes would be necessary to make this whole process soon and agreeable to all the parties themselves.

So that's basically how I would represent Brookhaven, from that standpoint.

Coming back to myself, I'm a physician; I'm an endocrinologist; I've been in practice for 19 years. I have trained in Kenya, originally, so I'm very familiar with the tropical diseases and all of the problems that arise in those countries. I also come from a "minority population," quote, unquote, so I'm very sensitive to the needs and the cultural sensitivity involved in different populations that we deal with. So in that sense, I would also represent the physician from Samoa who has also had the expertise that is necessary for all of the caring that we need to provide the patients.

So, essentially, I'm just going to make my comments very brief, that I'm going to actually be looking at this program as an independent. It is true we were listed as Brookhaven National Laboratory, but that was just to represent the Brookhaven National Lab as a person who has been with the program in the past but is basically going to make changes for the future. And I'd be happy to start with that.

Thank you very much.

DR. SELIGMAN: Thank you very much. We are now at the part of the program we're we have, basically, questions for the Department of Energy panel. I'd like to suggest if you don't mind, Neil, would it be possible to take a 10 minute break?

MR. BARSS: Yes.

DR. SELIGMAN: Dr. Williams?

DR. WILLIAMS: I was very remiss in not introducing my cohort here, Mark Hansen, who has worked extensively with the Raytheon Program when they were in the Marshall Territory. Thank you.

DR. SELIGMAN: Let's go ahead and take a 10 minute break and reconvene at -- what time do you have? Let's reconvene at 10:30. Thank you.

(Whereupon, a short recess was taken.)

DR. SELIGMAN: All right. Let's get started. Before we move on to the question and comment period, I wanted to turn the mike over to Rick Updegrove for a comment and point of clarification.

MR. UPDEGROVE: I just wanted to briefly go over -- we've had some presentations, but understand, the process we're going to go through is the standard governmental financial systems process. And we're going to take the applications, and then we'll do an

independent panel, peer review. And we'll make the awards off of that.

So I didn't want you to think that the presentations today were the final piece of this. We'll get the applications in, and NIH will do the peer review, and that's how you end up with an award.

DR. SELIGMAN: Is that clear? Presentations today have nothing to do with the final award. The final award will be based on written submissions and not on the quality of the presentations today.

Could you use the microphone?

THE REPORTER: Name, please?

MR. HILLS: Howard Hills, counsel for Rongelap. The clarification is appreciated and is consistent with everybody's understanding, but the clarification raised more questions than the prior condition. I mean, I don't think anybody thought that today's presentations were final or were the basis. I thought this was more of a everybody getting to know each other and establishing notification, getting interested parties identified and all of that. I think everybody is very comfortable with that and happy with that.

But the description of the process whereby a final decision will be made, I think, I would say this:

We assume that when you say that there will be applications, and there will be an NIH peer review and then final decisions will be made on that basis, that includes a process that involves a selection committee and the involvement and participation of the Marshallese and everything. But it sounded kind of like, well, this has been nice, but we'll get the applications from the interested parties and do an NIH peer review, and then we'll make the awards on that basis. That's all that was said.

This is just to make sure or to confirm that that process is one which involves not just those elements, but the process, whereby there would be a selection committee, and we would be talking about what the composition of the selection committee is and all of that. Then there would be, as described in the congressional record, the participation of the Marshallese.

DR. SELIGMAN: Yes, your understanding is correct. I just signed a letter, and if the Ambassador hasn't received it yet he should be receiving it shortly, asking for the government of the Marshall Islands to provide at least one name of an individual or individuals to the NIH to serve as part of the selection team. So we will handle that through our

embassy, but I want the communities of both Utrik and Rongelap to be aware of that to coordinate that list.

AMBASSADOR DE BRUM: How many will be on the selection committee? How many members?

DR. SELIGMAN: The size and composition of the selection committee hasn't been determined yet. NIH will make that determination independent of the Department of Energy and will use a number of criteria. One is, of course, the number of applications that are received. And so they clearly need a committee of suitable size to handle the applications.

Also they look at the kinds of expertise and the breath of expertise and representation, at least, to be on the committee. That's a determination of the folks that NIH will make, and I actually would suggest and recommended that you write that question directly to Dr. Paul Strudler who will be handling that.

There is no limit on the number of people who can participate on that committee, but that's a determination that he will make.

AMBASSADOR DE BRUM: Will they compare knowledge, or will they just acknowledge the expertise? Can there be three at once?

DR. SELIGMAN: You should put that question to Dr. Strudler. In my letter to you I said at least

one. If you make the case with Dr. Strudler that it's important to have not only representatives from Utrik and Rongelap but also from Washington staff, I think you should take up with him and make that case with him.

Were there any other comments or questions?

AMBASSADOR DE BRUM: I had a few comments, a few questions, but I wanted to turn the floor to Rongelap and Utrik. I have a couple more questions that I wanted to raise.

DR. SELIGMAN: All right. Would you like to begin?

AMBASSADOR DE BRUM: Maybe I will start with Rongelap and Utrik. This question is entirely to Brookhaven. Please explain the changes to the program that you mentioned. You've talked about the changes. I don't know what kind of changes you're referring to.

You want to take that question first?

DR. SELIGMAN: Dr. Vaswani?

DR. VASWANI: The changes we're proposing, immediately, are basically a structural change. As you know, it goes out twice a year to the Marshall Islands for their health care there. That part won't change. We're not going to change that part. We'll be going through a structural change.

As you know, Dr. Howard was in charge of the program and will remain so until the end of September. But as of October 1st, I'll be in charge of the program, the medical part, the contacts between the physician and the 177 and all of normal routine processes. So, essentially, that is one change that we are going to do.

The second change I would add is that everybody at Brookhaven is very familiar that this is going out to bid, so they have been notified that there may be changes in the personnel also. So other personnel will also be involved in the changes.

So, basically, the initial changes that I was charged with was, basically, to make whatever changes would be necessary to get the program continuing in the same sense of continuity, but at the same time, structurally different so that there will be no question that there has been a change made.

So that's the first one. Does that answer the question? Did you want me to elaborate more, Ambassador?

AMBASSADOR DE BRUM: Thank you, very much. Maybe later I may have more questions. I have just my final question which is directed to the DOE. Can you explain how or if money can be sifted from Bechtel who

has contracted with the medical contract? Thank you.

DR. SELIGMAN: Well, if you look in the Federal Register Notice, under the section entitled, "Logistical and Administrative Support,,' we talk about establishing and maintaining a working programmatic relationship with Bechtel, Nevada, "which not only," I'm quoting now, "which not only currently provides the logistic needs of the medical program, but also DOE's radiological and environmental monitoring programs/ Elsewhere in this announcement we do talk about the fact that applicants may propose replacement services for them. Now, I'm talking about the section entitled "General Program Requirements."

MR. HILLS: Doctor, can you tell us what page you're reading from?

DR. SELIGMAN: Yes, it's page 29126. It's the third column entitled "Program Requirements, General," Section A, subparagraph E. And it says, "Use current DOE contractor support," and it lists them, "or propose a replacement for the services provided by these contractors." And in Appendices C, D, and E, it lists the services that are currently provided. Then we note, "Applications that propose replacement services should emphasize more dollars being spent for medical care rather than logistic support, but may

provide a cost estimate that exceeds $1.1 million annually.,'

So what we've done, Mr. Ambassador, essentially, is in that paragraph given the applicant an opportunity to either use the existing contractor's support that we have through Bechtel or to propose using an alternative or replacement. As far as that goes, we provide essentially no other concrete direction in this statement of work.

AMBASSADOR DE BRUM: Thank you, Dr. Seligman. Let's say that $1.1 million dollars is exhausted and we have spent it all. Let's **say** we need more money to run this program. Can you borrow money from Bechtel and sift it through that particular program? I guess that's my question. Can you sift money from Bechtel in the event that the funding already completely gone?

You know, let's **say** there's a problem, because you cannot predict as you run this program your medical overflow.

DR. SELIGMAN: That's a good question. You want to handle that one?

MR. UPDEGROVE: What we're hoping to do in the final formal Federal Register Notice is to have applicants structure their applications to have a program that's $1.1 million dollars, and to structure

anything beyond that as what you want to call an alternate proposal. In other words, we currently have a $1.1 million dollar budget which is what we know we can award with.

If you have other ideas on how you can do logistics, it should be presented as an alternate proposal. Then we're going to have to take a look to see what we have with the Bechtel contracting. Phil Jackson and Tom Bell are a little more familiar with the requirements of that. Tom?

MR. BELL: Tom Bell, Department of Energy, Unit 63. I think in regards to the balance in the budget, what we have to look at is if the bidders are creative in providing more community service in place. Some of the logistics costs that we experience in transporting patients, per diem costs, airfare, costs to go to Honolulu, perhaps might not be needed as much. And, therefore, more dollars might go into community medicine and less into some of the transport costs we are experiencing. The balance of how the bidders will look at that, the kinds of things they think they can do to provide more of that care locally and to eliminate some of the costs needed to transport patients to locations away from their known location in the Atolls or Majuro or Kwajalein will have impact on

how much dollars need to be spent on the logistics part of it.

So the challenge, I think, to the bidders here today is to think about how to do that, how to put in place things locally that prevent some of the logistics that's necessary now to get patients to tertiary care, especially, and some of our patients far away.

DR. SELIGMAN: Tom's point is well taken and correct, and it does answer your question. The bottom line is that there is some flexibility in terms of how the funds are used.

MR. BEATTIE: Greg Beattie. Yes, I have a question on the logistics budget as it exists currently. What is that figure in the event that we consider some creative proposal other than Bechtel? We would like to know the total dollars being spent on logistics now.

DR. SELIGMAN: Tom, what is the number for our total logistics budget?

MR. BELL: Currently, we're spending on the medical portion of the program -- of course, logistics takes care of the environmental as well as it does the assessment portions -- but about $1.3 million dollars a year is spent on the actual transportation of patients

and getting all the physicians from the United States to locations to all the supplies and other things that are needed. And Bechtel is providing all of that structure to get folks and supplies and doctors and the transportation. And that includes the LCU-2000 at Kwajalein which is an important element in getting patients down from Mejatto to Kwajalein.

All of those things are part of the logistics that's necessary to get patients to the center where we're now providing the medical care.

DR. SELIGMAN: Tom, the answer is $1.3 million in logistics for the medical program?

MR. BELL: That is correct.

DR. SELIGMAN: What about our total logistics budget for medical environment?

MR. BELL: It's about $2.4 million for the entire program, logistics program with Bechtel.

DR. SELIGMAN: So you spend $2.4 million that basically supports our environmental mission, or DOE's assessment mission and our medical of which approximately half goes to the logistics part?

MR. BELL: Right.

MR. JACKSON: This is Bill Jackson, Department of Energy staff, 863 Honolulu. I'm involved with this operation out in the Pacific. Also included

here is all the support that's directed to the patient in terms of per diems paid to Majuro, Honolulu, Kwajalein, all the patients that are brought in, and they're significant. They add up to a significant amount of the budget that goes directly to the people for per diem, as well as the total cost to Kwajalein and other locations, Majuro, Honolulu, and the LCU going back there, all the airplane fares with AMI.

There are several people in Honolulu eating up the money. It goes out to the field to the pockets of the people involved in the program. Thank you.

MR. HILLS: Howard Hills, for the record. I guess I wanted to ask a couple of questions about process because rather than jumping to, you know, sort of the terms of proposals at this stage, to talk a little bit about the process that can lead to that.

First of all, if I'm Mercy or Straub or Brookhaven or Dr. Williams, what I seem to be hearing right now is that, well, you're to have to do an application that would be based on the idea of $1.1 million dollar medical program, but you have the option of also proposing as an alternative, perhaps, a program designed a little bit differently with a different budget based on the possibility of a different allocation of different available resources. These

would be the Bechtel, current Bechtel contract, the logistics one.

So if I am one of the interested parties and I want to develop my application, who should I be talking to, to get information to develop the alternative application? Would it be Tom Bell, would it be Mr. Jackson, would it be you? I just want to make sure, for example, Denise goes back and talks to -- I'm sure that the Mercy people know who to talk to, but I would like to make sure that all interested parties are aware; one, of the alternative of proposal concepts and; two, who they should talk to get the kind of information that they would need to develop alternative proposals.

DR. SELIGMAN: A couple of things. One is that we provided in the Federal Register Notice in the appendices a description of Appendix C of the Bechtel, Nevada medical support capabilities, medical support that's provided currently by Straub, and medical services provided by the U.S. Army at Kwajalein along with demographic information.

Our hope was that the Register Notice would contain all the information that was necessary, because it's the only public document that exists at present that fully describes not only the current program, but

all the support and logistic activities that go on in concert with this program.

One of the purposes of having this open meeting today is that if, indeed, there is information here which is not clear enough or not sufficient enough for applicants to appropriately respond to this notice, then we'd like to hear from them. That's why we, essentially, invited potential bidders today, because we'd like to hear how it's reviewed by the potential bidders so that that information can be included in the final Federal Register Notice.

MR. HILLS: Thank you very much. That is exactly why I just wanted to satisfy myself that all the interested parties were aware of who the players are and who they would call on the phone to ask questions and obtain information, whatever is available to interested parties in terms of the budgeting information and data about the program.

DR. SELIGMAN: The contact -- Neil, is your name listed here?

MR. BARSS: Yes.

DR. SELIGMAN: Neil Barss is, essentially, our contact person. So folks shouldn't be calling Tom Bell or Frank Hawkins or myself or Bill Jackson.

MR. HILLS: Well, would you be willing to

give everybody your home phone number?

DR. SELIGMAN: I'm listed. But I should point out that the kind of information that we can provide over the phone will be fairly limited, essentially, only to probably just how many folks have applied and how to get an application.

Again, we are very sensitive about giving out information over the telephone that's, essentially, not contained in this Federal Register Notice. Because we feel it's very important to the integrity of the procurement process that every potential bidder have the same information.

Again, the purpose of this public meeting was, again, if there are things that are missing here or things that need to be clarified, additional information that needs to be part of this request; this is the opportunity to let us know about that so that when we do go out with the final notice that information is incorporated. That will be, essentially, our final statement on this program.

And you'll have Neil's phone number, but I don't think he'll be answering the phone so much. I don't mean that. He'll be answering the phone, but as I said, the amount of information that he can provide will be strictly limited by our procurement

departments. Yes?

MR. BENJAMIN: I'm Gordon Benjamin, I work with Rongelap local government. Paul, can the potential bidders take that number, $1.3 million, that is the logistic number for Bechtel, for the medical side of it, can they use that number $1.3 million, add it to $1.1 million that is currently in the program and come up with that alternative? See, this is logistics and this is the medical provision as we would propose in the alternative. And then make a presentation from that, as opposed to saying; okay, this is $1.3 Bechtel, and they'll just bid on the $1.1 side. Can they just come up with a total different proposal based on the $1.1, plus the $1.3 added for a total package?

DR. SELIGMAN: Let me turn this over to the staff. My initial reaction is I don't see why not.

Tom, do you the want to do that?

MR. BELL: That's basically what I think they would have to do if they wanted to propose a total package where they felt they made all of the logistics. I might add, the continuity provided in the cost savings of the running of the two programs, simultaneously, with Bechtel has some impact. And if we were to rip out the entire program for medical logistics, it may impact their ability to do the

environmental assessment site because there are commonalties with the logistics people in Honolulu and in other areas that make it possible to do all these three programs together.

So we would have to look at the total, carefully, in terms of the impact it has on our ability to run the entire program for the Marshalls within the other parts of it. And to say that the whole $1.3 could be spent and reallocated in an entirely different way could impact some of the other aspects of the program. We have to analyze that to see what that would be.

But there are many things that Bechtel does that are parts, as Bill had mentioned, in terms of incorporating monies to the peoples that are being serviced. And I think if it's not fully understood, a large share of money that goes for per diem and for hotels and for transport, if the bidders were to allocate it differently and then they might find that they're not able to get the patients taken care of the way it's currently done.

So we have to consider the second step very carefully as to whether it's going to improve the program or it's going to create so much difference in the approach it might actually hurt the current effort

as we do it. So the option is there because we want to give the bidders the creativity in looking at if they could do it better. Certainly they could suggest something.

That's why we like to have it in two pieces so that we know what the basic $1.1 million would be spent for. And then if they have created one that they'd like to try to tackle the other part of it, I think it's a picture of how that might work. So we can analyze the effect that would have on the budget.

DR. SELIGMAN: Let me just say -- by the way, I think that unless you have an objection, in our final notice we should at least indicate, since we stated so on the record in this meeting, the amount of money that we currently use for support in the medical support in the Notice. So this gives all potential bidders at least some sense of the size of that support.

MR. BELL: Tom Bell, again. The mix of monies that we use in the various programs is something that we're now sharing with the RMI Government in terms of prioritization. And just to say that we're going to spend that money the same way or whether, for instance, the Lawrence Livermore Program, which has been somewhat reduced this year because of the large increase in the medical costs, whether it needs dollars in this year,

there are very important questions to be answered here. And I don't know whether we can specifically state it. That's why we left it out originally, that the $1.3 will be an exact amount that we say we can allocate.

DR. SELIGMAN: I didn't say that at all. All I said was that it's an estimate of amount that we currently spend. But I think -- 1 guess the answer to your question, Gordon, is that in this case the mathematics is not that simple. That certainly it will be no more than $1.3 million dollars in the logistics cost available, but we would have to again look at the proposals that bidder comes in with and weigh the sums of money that they are requesting for support and balance that against our other priorities for supporting the environmental program. Whether we could carve out that $1.3 million, whether there would be some money less than that is really impossible to answer at this point, until such time that we actually get a proposal from a bidder.

MR. BEATTIE: Greg Beattie. As an interested party and as a potential bidder, I'm looking at the second alternative of combining logistics in the medical budget. I can tell what I need as a contractor. I need a dollar amount to work with. So if you have $1.3 and you're going to have to carve out

some of that money to provide the logistical support for the other programs, then carve it out. But as a contractor I need to know, finitely, what that dollar value is that I would have to spend and would have available to do the medical and the logistical.

So it would be important to identify the specific dollar amount.

I have some other questions, if I may, while I have the microphone. Do you have an estimated date when the RFP will actually be published?

DR. SELIGMAN: Yes.

MR. BEATTIE: Okay. What is that date?

DR. SELIGMAN: Sometime -- we're hoping to issue it sometime in the last week of August.

MR. BEATTIE: How much time for preparation would a bidder have? When will the submission be due?

DR. SELIGMAN: We are currently thinking about between 30 to 45 days, probably 35 days.

MR. BEATTIE: Following the submission, how much time will DOE need for the consideration, selection and award?

DR. SELIGMAN: We're planning to submit this to NIH for their review in early October, giving them approximately a two-month period of time for independent review, which should be November or

December, with the hope that I will have received in my hands their recommendations by early January. At which point we would turn that recommendation over to our people here in Oakland to, essentially, begin negotiations, and, hopefully, award by no later than by March of '98.

MR. BEATTIE: In the final RFP document, will you have selection criteria? And, typically, what we have seen is points awarded for various components within the document.

MR. UPDEGROVE: We have a program rule and that has all the criteria in it. That's Program Rule 602. We also have the Merit Review System, and that doesn't have any point system. We had not intended to publish **a** point system. We have the evaluation criteria in the draft notice now, and we've had some discussions with procurement counsel about, perhaps, amplifying that a little bit more.

But as far as points, we wouldn't be publishing that.

MR. BEATTIE: Again, a few questions about the existing contract agreements, the agreements themselves, and also the performance under those agreements.

First, let me ask about the agreement with

Straub. Is the existing contract document, is that available for review by interested parties?

MR. UPDEGROVE: Tom, you want to field that one?

MR. BELL: That is a subcontract under Bechtel's arrangements, and I guess I'd have to check with Bechtel. Bill, what do you think regarding the release of that subcontract.

THE REPORTER: I'm sorry. Your name again?

DR. SELIGMAN: Could you use the microphone?

MR. JACKSON: Bill Jackson, Department of Energy. That's a subcontract that Bechtel has with Straub Clinic and Hospital and the PIMS operations. Greg, I'd have to ask Bechtel to check with their G.C.'s the rules of which that could be made public or available to anyone. I don't know. I'm sure Straub may have their own rules as well as their own counsel. I can't answer that.

Diana, you have any thoughts on that?

DR. SELIGMAN: Diana, use the mike, please?

MS. CLARK: Diana Clark with the General Counsel's Office. I would only underscore what Bill has already said, which is that the parties to the contract would be ones that would determine the releasability. I don't think it's anything that either

of us can answer. The parties themselves need to be asked.

MR. BEATTIE: The reason for my question is, as an interested party, we would want to evaluate that contract document to determine whether or not use of Straub -- and Straub is a fine, fine hospital and clinic operation I tremendously respect. And Mercy has worked closely with Straub, and we have very, very high praise for them. But as a contractor, we would want to be very diligent in evaluating that contract agreement to see whether or not that would provide the best value for the particular program that we would want to design and construct.

There are alternatives, and we, certainly, in our objective of getting the best value for the Marshallese, for the users, we would want to take a look at that agreement to see whether or not that was their value.

Also, I have other technical questions about the agreement. Is it assignable? You know, would we be operating under that agreement? You know, other technical issues related to that contract document.

MR. UPDEGROVE: What we'll do is we'll take an action to get with Bechtel to see what sort of releasability they will give to us in a fairly quick

manner, rather than trying to go through something like the Freedom of Information Act. I think we've got an easier one, and we'll try that.

MR. BEATTIE: Also, in follow-up to that, I have other questions that are related to the other contracted parties. Tripler Army Medical, for example; Army Medical Center, I believe there is a contract there. There's a contract with the U.S Army at the Kwajalein Hospital and the use of the mammography service there. That contract document and other agreements, would those be available?

Certainly, as an interested party, I need to know the terms and conditions, what I am purchasing, what we would be paying for in order to integrate that information into a proposal that we would construct.

MR. JACKSON: Bill Jackson, DOE. With respect to the contract at Kwajalein, that's between the DOE and the Department of Defense. So that's generally available, and you can see what the terms of them are and what the working relationships are. In that sense, it's assignable. Yes.

DR. SELIGMAN: I think the point is well taken, which is that beginning with our multiple contracts out there with different organizations, whether they're contracts or subcontracts between

Bechtel and Straub or contracts between the Department of Energy and the Department the Defense in Kwajalein. I think it would be in the interest of the Department of Energy and those who are bidding on this to put together, as best we can, all of the existing contracts in a package so that there are at least in a form for potential bidders what contractual arrangements exist.

Are there any problems doing that other than the fact that there are some contractors outside of our immediate domain?

MR. BEATTIE: Might I ask additional questions? I don't want to monopolize this.

DR. SELIGMAN: Yes. If there is someone else on the floor who would like to make a comment?

MAYOR MATAYOSHI: James Matayoshi. I have a question for Dr. Seligman, and this is in regard to, is it possible that DOE may attach the budget, the $6.8 million dollar budget as appendix to the bids so each individual bidders have an understanding of what or how the whole program is being designed so they will want to work with it.

And my other question was, when we met in Majuro and we expressed our needs and the kind of changes we wanted in the program, I just want to have a piece of mind in following through what we had wanted

to have happen and the kind of changes. And this question is directed to these bidders like Mercy International. They have foundations within their program that they may also contribute to these communities. Because we originally wanted to expand our departments in terms of what is a radiogenic condition and what is not and how they can provide beyond that, what the contract says; if those kinds of services can be provided to this community as part of their extra courtesy or extra willingness to help our community?

And lastly, if before the August deadline, if Mercy International, Straub Clinic, and these other bidders, if they could set some time to visit our Islands or have an orientation trip to familiarize themselves in what kind situation they're dealing with geographically or logistically in the Marshall Islands with the two communities so that you have an understanding of our situation, we would be willing to maybe sit down individually to discuss or brief them of what kinds of situations we have at home.

Thank you, Dr. Seligman.

DR. SELIGMAN: Your first point about putting the entire $6.8 million dollars budget in the RFP, I don't have any objection to that. This is public

information that the bidders would find useful to know how much is going to our environmental versus our DOE assessment program, which is our medical program.

As a point of information, I don't see any problem in putting that information in. Tom?

MR. BELL: I might add, at the beginning of this fiscal year we provided that information to Ambassador de Brum, and it hasn't changed that much since we gave it to them. So this information has been shared with the RMI Government. It's just that it may not be down at the local level. So, certainly, we project a new year budget, and we'll begin to talk about priorities. That will have some impact on what the 1998 budget will look like. And it may be a little different than it was last year.

We aren't really quite at the point to decide how that allocation will be made, but I think the budget for this last year 1997, is a matter of record and has been shared with RMI and certainly could be shared soon.

DR. SELIGMAN: One comment in response to the last comment. This is the second time this issue came up, by the way, the orientation trip. We would certainly be willing to make the Department of Energy staff available in the person of Bill Jackson for such

a site visit prior to the time that applications are submitted, which I guess is sometime mid-to-late August.

And again, if there are bidders out there who would like to make such a visit just to see the nature of the material and the people we have posted out there, and to get a feel for the communities and talk to individuals out there; we would certainly be willing to set a site visit up for potential bidders.

MR. UPDEGROVE: The plan there would be for us to issue the Federal Register Notice and let anybody who is interested in participating in some sort of site visit like that, would respond to Neil.

You would let Neil Barss know, who is our project officer. He's named in the Federal Register Notice. Let him know that you want a site visit, and then we'll coordinate a site visit subsequent to the publication of the Federal Register Notice and prior to you submitting your applications. That's one of the reasons that I think we were originally going to want to go with 30 days, but if you have had a site visit, I think 45 would be more appropriate.

What you'll see in the Federal Register Notice will say if you want to participate in a site visit, contact Neil, he'll put you on the list.

DR. SELIGMAN: Any comments, questions?

DR. WILLIAMS: Thank you very much. Victor Williams. My comment is more or less a plea, because the undercurrent in all this is the concern for the human part of the program. I think that that is the concern of the Marshallese, more than the monies. The monies are always important, but the undercurrent of human events and human concerns are still there.

And I gather that is why they are dissatisfied with the program as it is now. I think that that human element needs to be emphasized in the selection of people that are going to handle the program and in all the other considerations that are going to be coming up in the future. It's my experience in Samoa that when money ran out, the big entities always said, well, we can't handle this any more. And then the people that are really affected are the patients, the people who need care. And they are the real concern here. Thank you very much.

MR. BELL: Might I add something? The flexibility of the program and being in a situation where patients need to be cared for, especially in the fiscal year; it's the money that we have at Bechtel, Nevada that enables us to handle those patients effectively. So the mix of monies are set up in a way

for special use. We have our mission in the Spring and a lot of those referrals don't know what happened until early Summer. It's the Bechtel part of the budget that allows us to be flexible in getting patients the medical care needed.

So that aspect is very important as is our responsiveness and our ability to do that. And we need to kind of factor that into the process.

DR. SELIGMAN: As we currently need it.

MR. BEATTIE: We certainly welcome the opportunity to visit the Island communities, and I really think that that's an excellent suggestion to really get at the grass roots, at the community level and help further define and further specify what they're looking for. That's an excellent idea.

Doctor, I echo your comment in terms of losing sight of the end user. And the questions that I'm asking are not to diminish that emphasis.

Certainly, as an interested party, we emphasize getting service to the end user, but getting through the technical issues of the government procurement process requires that we have a real good handle on those issues. So if I may, I have a few more questions. I would like to clarify the budget, if I may.

I understand, currently, that for fiscal year '97, the medical budget is $1.27 million; and the RFP as released is $1.1. Why is there a decrease in the budget going from '97 to '98?

DR. SELIGMAN: Tom Bell?

MR. BELL: The 1.27 has been a rather large expansion of the Brookhaven Program this year in its needs for its personnel there. It was a mandate that we met in the programs to get there. We're trying to get the program back in the realm where we really feel it belongs. It was about $.8 million up until recently, and we're trying to challenge the bidders to think about it, to provide that care in dollars that are really more representative of the field, the amount that we think we can spend on that.

However, as we mentioned, there's flexibility in the budget, and there's prioritization that we have with RMI that allow us to change that as we go along. But we need to see what the program is like if we need to do that.

MR. BEATTIE: I would just like to emphasize that as advocating for the end users that, if the $1.27 could be made available, that would be preferable.

I guess, in looking at future years, what does the DOE anticipate in terms of increasing that

budget? Will there be any consideration for inflation over the subsequent years? That is, the Federal Register said a 5-year period; the first year is $1.1. Will there be an inflation factor built into the successive years?

MR. UPDEGROVE: The current budget that I've seen is straight-lined, certainly, through '99.

MR. BEATTIE: I just have a follow-up point that I'd like to make in terms of the budget. And, Tom, I recognize your point in terms of wanting to have -- the government wanting to get to a budget that makes sense to them. But I would just like to point out that there are additional things that are being required of the new contractor in the RFP that are over and above what's currently being provided.

Those services and those things take additional resources, and I just would like to point out a couple of things. Number one, advisory committees are to established under this new RFP. That will take money to make that happen. In order for the advisory committees to be put in place, that would require additional resource, resource on the part of the whole community's resource on the part of the contractor. I just wanted to point that out.

Training programs for Marshallese, that's

over and above what's currently being provided under the current contractor. The infrastructure development is over and above what is currently being provided by the current contractor. So I'm just trying to point that out and trying to reconcile that with myself. We're looking at a little bit of a decrease, then we're looking at expanding and doing more with the monies that are available. And just for the record, I did want to point that out.

I do have questions about the available technology. And in the RFP, there is a pretty comprehensive list of number and types of equipment that are listed. I was wondering if we could get very specific in terms of inventorying that equipment? Things that I would like to know would include the age of the equipment, it's usability, does it have a maintenance contract, what is the current biomedical state of that technology. Is it usable; can it be implemented? Can a new contractor come in and take control of this technology and implement it?

As an interested party, I have to know the implementation costs of operationallizing that technology. Is that information available?

MR. BELL: I would think that we would have to go back to Bechtel. And to really get all that

information, I don't believe I have that at my fingertips right now. Certainly, I've tried to keep it up to date to the current technologies. I don't know exactly how old is.

I don't think a lot of it is on maintenance contract. It's equipment bought, usually, with equipment monies; and, normally, it has to be upgraded. But in addressing one of your questions about some of these additional costs of advisory committees or other costs, some of the reasons we choose to reduce the $1.27 to $1.1 is to allow our flexibility in needs which are all related to making this all happen. And there will be some costs in the transition of trying to run the Brookhaven Program currently as we're trying to phase in the new contractor.

That's going to be a challenge in a level budget. So that **was** one of the reasons why we chose that.

DR. SELIGMAN: In Appendix H there is a list of equipment used by Brookhaven National Laboratory. I guess the question that is being asked is, is all of this equipment going to be available to the new contractor? And what is the **age**, date, viability, and warranty, if it exists, with this equipment?

I guess my presumption is that this is the

kind of information we should gather and have available to the potential bidders. Is that correct?

MR. BEATTIE: Yes. Thank you.

DR. SELIGMAN I guess the only comment I had, Mr. Beattie, regarding the thing that you pointed out in the statement of work that is over and above, I would think of it more as a shift in emphasis. And I would look carefully.

We think that, indeed, the budget we're proposing does allow for that shift in emphasis in the program and the reallocation of resources that are being placed into one aspect of the program might better be placed in areas such as training and the community organizations.

But again, we would like to look at the budgets that are proposed by potential bidders to see how they handle both the provision of the kinds of services that are offered now and the requirements that are part of this and not previously been part of it, part of the previous program.

MR. BEATTIE: In terms of the reporting requirements -- and I duly respect DOE's need for information for monitoring. And, certainly, if Mercy was selected, we would want to provide and be forthcoming with all possible information in

utilization, financial and otherwise.

I just have a few questions about some of the cost reporting requirements. I do understand that they may be legislatively required, but if there is an opportunity where we might be able to modify things.

Again, you know, reporting requirements increase administrative costs. And if we're spending our monies on reports, then we're not spending it on people. Again, we want to spend it on people.

So I do have a question about monthly reports, monthly accounting reports and would question whether those were necessary. I certainly would think that a quarterly-financial report might be the suggested alternative to providing a monthly report.

We certainly have accounting systems in place that can generate a general ledger in real time, and we can give you a general ledger as we would currently have it. But I'm speaking of, you know, giving you an expense, a comprehensive expense summary by line item on a monthly basis, and I would like to know if quarterly would be a better alternative?

MR. UPDEGROVE: Neil Barss and I talked at length about what sort of requirements that we wanted. And, I guess, I thought that at the outset of this program it would be helpful to see monthly, at least to

start, since we're familiar with the new contractor.

It may be a little more excessive than we'd like, but it's something that we'll consider. You know, I'm not going to say we're going to take it away, but it's certainly something to consider. And Neil and I talked about that, and I tried to convey that to him as well, which is, we don't want to burden your resources with paper when you want to be looking at people.

So we're trying to learn that. We appreciate what you're saying.

MR. BEATTIE: I had also had a question. There is a reference in the document to producing those reports in prescribed DOE format or format prescribed by DOE. And we use generally accepted accounting principles and produce our accounting documents.

We're audited on an annual basis by external auditors. Would that be satisfactory for the accounting reports, generally accepted accounting principles?

MR. UPDEGROVE: Depending on how detailed they are. What we'll see sometimes from those sorts of reports are basically balance sheets, income statements. We need something that's more closely related to the program expenditures.

MR. BEATTIE: Project specific?

MR. UPDEGROVE: Yes, somewhat. I'm not sure that I can answer your question right now.

MR. BELL: Tom Bell. In the Office of International Programs we kind of have standardized the way we present our budget, so we can look across all the programs and pick out particulars in our reviews.

It's not a very difficult job. I think the others have found that they put it in two pages in four days. It's not nearly as sensitive as what you're talking about. I think when you find what the report looks like, that it's really just an attempt for us to get into categories like supplies and travel and referral costs to give us a balance on how we're spending dollars and assessing whether it is going along with the current year, that sort of thing.

And with the monthly, it's for that reason. If all of a sudden we find the medical costs escalating rapidly for some reason, then we might be able to work a little more closely to figure out why that's happening. And what we need to do to look at the budget, that sort of thing. So there are plenty of reasons for that.

DR. SELIGMAN: Just so it's clear, we want to make sure we get the information that's necessary to be

good program managers. And so, essentially, this paragraph in the RFP essentially reserves our right to ensure that the content and the format is appropriate.

But you should be reassured that the kind of information that we generally look for is what is usually provided for in standard accounting formats, along the lines that Tom has specified.

MR. BENJAMIN: Gordon Benjamin from Rongelap. We were wondering if maybe at 3:00 o'clock today the local governments would like to meet with the different potential bidders on this? And if this room was available, we'd like to be able to express some of the concerns that the local people have with medical provisions.

DR. SELIGMAN: That would be fine.

MR. BENJAMIN: I don't know their flight schedules and so forth, but if they were able to do that, we'd like to be available at 3:00.

DR. SELIGMAN: Did everyone hear that? This room will be available at 3:00 o'clock for the local governments to meet with financial bidders to discuss and express their concerns and interests. So we'll keep this room open until then.

MR. BENJAMIN: The other thing is we were wondering that while a bidder puts their proposal

together, if they would include some of the things that the community will be expressing at this time and does not see in the RFP; for example, because of congressional constraints. And our colleagues are very familiar with what I'm talking about; exposed versus unexposed; or radiogenic versus nonradiogenic. If some of the potential bidders want to somehow work it into their proposal where they are treating, for example, some nonradiogenic illnesses, would the peer review panel -- or maybe this is this question for them.

First of all, can they include that in their proposal, and would the review panel give them extra consideration for that?

DR. SELIGMAN: Well, in the request for proposals we talk about the provision of medical care and treatment of other diseases or injuries as time and resources permit. In that statement we hope to, at least, open the door to consideration of those conditions beyond the tertiary congressional focus that we have from congress.

So, I guess, the answer would be, because this statement is indeed part of our request for proposals, our statement of work, that no one would be penalized for including such in their proposal.

DR. WILLIAMS: Just a comment on the time

frame. I have a flight at 2:45, but I would be very happy to meet with the Mayor and the group from the Marshallese before that, shortly after this session, if that's possible. And I think the idea of visiting the territory is very, very important; and I would certain welcome the chance to do that.

DR. SELIGMAN: I'm sorry. My role is to provide the room.

MR. BENJAMIN: Scheduling is always difficult. I believe right now trying to set up a lunch meeting on some issues with Howard right now. If possible, right after that meeting before the 3:00 o'clock -- but he has to leave at 2:45. So I'm not sure if we'll have a chance.

DR. SELIGMAN: I'll let you work that out.

MR. BENJAMIN: You want to visit the Marshall Islands? Okay. Good.

DR. SELIGMAN: Other comments?

MR. BEATTIE: I have a couple of other technical questions. One is on the reporting requirements after that. Will an A-133 compliance audit be required of the contractor? And the reason I ask that is we went through A-133 compliance, and it was awfully, darn expensive.

And you know, we're audited, and we have

external auditors. And I don't know if this project would be subject to that degree of scrutiny.

MR. UPDEGROVE: Joan, do you have anything?

MS. MAC CRESKY: I think that --

THE REPORTER: Your name, please?

MS. MAC CRESKY: Joan Mac Cresky. I think that whatever you're now required to follow-up, if it's 0 and B circular A-133, that that would probably apply here as well. It's more dependent on you organization and which circular you're under. I believe it would.

MR. UPDEGROVE: We can check that out further and get back to him?

MS. MAC CRESKY: Yes.

MR. MASEK: John Masek, M-a-s-e-k, from the Utrik Local Government. I was just looking back at the RFP again. We are in the background. You have a group of 131 members remaining in the tested, the comparison group of 107 people. Then getting into Section 3, Section A, Subparagraph A, you talk about medical services should be to the "effected Marshallese citizens" of Rongelap and Utrik.

And as a point of clarification, when you say the "effected" people, are you simply talking about the 131 previously set forth in the background, or are you including other members of the community that have been

affected by the radiation testing?

MR. BELL: I think legally we're talking about 131 and 107 comparison group. However, the whole objective is to try to find creative ways to do the kind of medicine in the community that would allow us some flexibility to provide some primary care to others who might need it at the same time that they're there.

And the exact numbers would be dependent on how much the finances would allow and how much they could do in that framework.

Under the mandate of the law, that's the group that have to ensure that they are taken care of. It has to be formal and registered that way, because that's the group that congress expects us to take care of.

But the whole objective is to try to be more creative and a bit more focused, if possible.

MR. BEATTIE: I have a question regarding the historical funding for tertiary care. The Section 177 Program is challenged by referring persons to tertiary care. That's the most expensive part of the budget. Certainly, one or two catastrophic cases can consume our tertiary care budget.

As an interested party, again, we would want to know what amount of money has been spent,

preferably, over the last 5 years on tertiary care funding. That's a piece of information we would like to see; I guess, a process that we would like to know if we establish a budget that will include tertiary care. And I would assume we would construct **a** primary care, secondary care, tertiary care budget, something along that line.

If we set a line item for tertiary care, and you know, anybody could pick out a figure; let's say it's half a million dollars, if that half million dollars is consumed in a budgetary period, what happens then?

MR. BELL: The tertiary care costs have fluctuated over the last couple of years. About three years ago it was running at $120K here, then suddenly because of some changes in ultrasonography and other things that would apply, there were additional referrals to Honolulu based on thyroid concerns on small nodules. And we ended up with a budget that was something like $540 thousand dollars for tertiary care, greatly in excess of anything we'd ever experienced in the program before.

Part of our effort recently in the land-based processes is to try to provide more tertiary care concepts at Kwajalein Hospital. And in the last year

or two we've been very successful and doing more of that localized. And the tertiary care costs have gone back down to more of a normal range. And I think this year they run -- I don't know. I don't have the final figures, because it takes awhile to get the dollars. My guess would be around $220 thousand dollars this year maybe because we're able to do a lot more with surgeries in the follow-up work at Kwajalein. And I have to refer to Honolulu for those. So I would say some of the challenge is not how much you spend but how you can create a community-based process that provides more of that locally and thereby eliminates some of the need for tertiary care.

Obviously, doing an MRI or something of that nature that's a lot more sophisticated, you have to go to Honolulu. But in terms of doing surgeries or colonoscopies or colon surgery, we've been very successful recently in Kwajalein. It's helped to reduce the tertiary care costs. So it is fluctuating, and it depends a lot on the nature of the kind of care that you're providing.

MR. BEATTIE: I appreciate that, Tom. And, you know, if we were selected, and I know the selected contractor is going to have to make additional efforts to fill local capacity and to use local capacity and to

creatively do things in the Marshall Islands as much as possible.

I recognize that, and I accept that challenge to do that. But, you know, that does not answer the question of what happens when the money runs out. I know that you can minimize the need for tertiary care, and we can help mitigate that, and we will make every effort. And I know that the government is making efforts to do that. However, this is a population that is graying, it is getting older. And with age, you know, you're going to see an increasing amount of disease in this population because they're like all of us. Everybody that gets old starts facing chronic conditions, heart disease, cancer. Those things start appearing as the population gets older.

This population is getting older, and I would submit that the tertiary-care dollars that this population is going to consume is certainly going to increase and not decrease.

And my question is, what happens 5 years out when, for example -- this is hypothetical and it certainly could happen -- one or two cases consume $250 thousand dollars. What happens then?

DR. SELIGMAN: Two things could happen. Ultimately, the question is who indemnifies our cost,

essentially. In the past when we've been able to manage those costs with our Department of Energy budget by shifting cost within our program, we have done so.

But if the time came when total costs really impacted our ability to deliver primary care, if the cost of the program escalated to the point where we could no longer manage it within the budget under the Marshall Islands medical program or under the budget of the health studies, I would simply have to go to congress and ask them for additional appropriations, additional sources of money to support the program.

So there are basically two avenues. You take it from within the program, which is essentially what we have done in the past. And failing that, which we have not yet had to face, we would go to our appropriators to ask for additional resources.

MR. BEATTIE: I guess, on the flip side to that question is if the contractor in working with the local community and local government could save money within the budget, could those savings be used discretionarily by the contractor and the community?

DR. SELIGMAN: To do what?

MR. BEATTIE: For example, one thing we're doing in the 177 Program is building dispensaries at the local level, and we have ear-marked monies to do

that. And some years we've experienced lulls in our tertiary care budget, and as a result we've allocated about a $100 thousand dollars per island and have built a dispensary.

DR. SELIGMAN: I don't see why not. I think the purpose of this program description is to give the contractor a fair amount of discretion as long as the activities that you are conducting are within the program description and not other unrelated medical activities.

If in any particular year through the creation of efficiency as described you could reallocate resources in one direction as opposed to another, that would be fine.

MR. UPDEGROVE: What you'll do is you'll be submitting a continuation application which will be a whole new proposal for the following budget year. And what you can do is issue that funding left over and use that as carry-over funding.

DR. SELIGMAN: Yes?

MAYOR MATAYOSHI: I think what Greg said is very interesting at least for my local government group, because we want to also define our role because we may have some ways that we can assist in saving our resources; like in logistics, how we are both provided

to 177 and our cost.

And what I'm looking at is, after the contract, all of this whole process is over and the contractor that will be doing this, the door will be open for us in local government to continue to play a role or exchange of information insuring what we can do, that we have resources. Because we had some ideas in mind that are still floating around, and perhaps, maybe, the local government can cough up some money of it's own within this operation budget to help eliminate a lot of the burden that will be on these people that will be providing health care to our people. We would like to continue to play a role.

DR. SELIGMAN: I hope the answer to your question is yes, yes, and yes. In the section under the Federal Register, under "Direct Marshallese Involvement," we talked about the importance of establishing a regular process for community and patient input, recommendations, improvements and changes to the care delivery program.

And we're hoping that built into the applications to the successful awardee will be a process which will allow for that kind of input and those kinds of changes, those kinds of measures.

So, hopefully, that should be in any

successful applicant's application that's successful to win this contract.

MR. BENJAMIN: Thanks, Paul. Just as a general observation, listening to Greg's many, many questions, which are all very, very pertinent; as a local government representative here, I think what we'd like to see that all these questions are answered concretely for all the potential bidders.

And I don't want to take anything away from Brookhaven, but when the bids, the RFP's are actually submitted; even if Brookhaven submits one not under Brookhaven's name, that the NIH panel knows for sure that Brookhaven has some information that possibly the others don't have. That is a concern that we do have over here.

And listening to these questions about the budget, how much is that equipment and what's their initial life right now and so forth, I think Brookhaven knows exactly what that is.

I'm assuming that, but, you know, that eventually all that information should be given to everybody so that everybody has a level playing field going into the NIH panel.

DR. SELIGMAN: You're absolutely correct. And I think the purposes of these questions is we are

transcribing them, and you will be provided all that information to all the potential applicants.

There are some things you can't overcome. You can't overcome 40 years experience in running a program. In as much as we can get all of the relevant information, including, as Mr. Beattie pointed out, the existing contracts, subcontracts that exist, the state and quality of equipment that are out there and other pieces of pertinent information necessary for bidders to compete on a level playing field; we want to make that information available to everyone.

Although we don't necessarily have the answers today, we are noting these questions and we will make sure that information is available to all potential bidders.

MR. BENJAMIN: I appreciate that process that is going on today. I just wanted to make sure that the panel is reviewing everything at this level.

DR. SELIGMAN: I will also point out that at the close of this meeting there are an additional 30 days for us to receive comments in writing.

And again, at which point, if there are additional clarifications or anything that's necessary, we will again receive those written comments, modify the RFP, and collect that information for distribution

as necessary.

So this meeting is not the end point for receiving those comments.

MR. HILLS: There are just a couple things I wanted to mention for the record very briefly. One of them is you've heard from Mayor Matayayoshi several times an invitation to the interested parties to work with the government of Rongelap, to work with his office. And, obviously, his office wants to continue working with the DOE staff as they have been.

But the point is, if there is information that isn't available through this process or that is published in the RFP related to Rongelap, that if interested parties don't know how to get that information, they are certainly welcome to come talk with us.

And the other point is, from talking to Holly and Ambassador de Brum, obviously, when Tom Bell talked about the budget, he pointed out that's been provided to the RMI Government and none of the interested parties. And Rongelap has found in our experience that talking to the RMI government is always good, because you always get helpful ideas and information.

So in talking about process, again, we encouraged trying to define process. If there are

ideas or information that's not available, for perfectly good reasons that relate to your need to be impartial and preserve the integrity of the process; we're not criticizing that. We're just agreeing with you that the RMI in addition to Rongelap local government, RMI is another good place to go to talk. And we encourage the interested parties to do that.

There were a couple of other points that I just wanted to mention very briefly. You know, in doing so, we are really concerned about the fact that we think this is a good process. We think it's moving in the right direction, and we don't want to do anything to slow it up or interfere with it or impede it in any way. And in mentioning these things, we certainly want to claim immunity from a situation where you say; well, if you're going to bring up all these issues this is just going to slow everything down. We don't want that to happen, and you don't want that to happen

But I just wanted to mention a couple of things. What really might be appropriate is for the RMI and or representatives of the local governments and/or their counsel in Washington to get together with DOE's counsel and talk about a couple of issues.

I just wanted to mention so that the

interested parties are aware of the fact there are outstanding issues relating to such things as definition of radiogenic illnesses.

We note that there is an issue of the comparison group and it's coverage with the control group, which isn't reflected in here probably in the way that the RMI would like to have it reflected. And that is an issue that can still be talked about. Rongelap is interested in that issue, has an interest in that issue.

We note that in the Congressional Record it refers to public 101-426 for some of the definitions of radiogenic illnesses and the question of the applicability of that statute and whatnot in the situation and what its applicability means.

That is something, as a matter or record, we wanted to just identify here as an issue that we might want to discuss further. Probably, if the interested parties talked to RMI or to the affected Atolls -- and I'm not speaking for RMI in any of the things I'm saying. But, probably, my sense is that probably if they did, they would find that another issue has to do with the need for more emphasis on the community-based nature of this in terms of year round, 24 hours a day.

These are people who have medical needs, and

those medical needs -- some of them do not fit into periodic visits. They are things that can arise anytime during the year. They can arise anytime during the day.

And the question is, how is this program going to be structured so that people have access on a daily basis when they need it? Obviously, that's a big, challenging question and problem. But the need for greater emphasis on the community-based aspect of that is something that I think that we have an interest in.

Finally, the description in here in terms of clinical findings and what the effect of the nuclear testing program has been, clinically or whatever, on individuals is one which is more narrow than when I talked to the Mayor. And we talked with the RMI, and it is more narrow than what we think is called for.

And that's something that, again, we don't need to try to flash that out right here. We want to, on the record, identify it as an ongoing issue and concern that we have; maybe something that, actually, through our governmental channels, through the RMI and their government channels, that will be continued to be addressed.

But there are things that, since this is

being recorded and since we have an official record here, we wanted to, at least, just make reference to those issues.

DR. SELIGMAN: Thank you. Just one brief comment which is, please do note that in the program requirements we are asking for in the first Subsection 8, that full-time medical services be provided. And we mean that we're looking at year-round services.

So, hopefully, that will address those issues. I don't believe that anything that you've stated so far in your statement is a show stopper in any fashion. Nor would it slow down the process that we have outlined in terms of both receiving comments and the publishing of the final notice and going ahead with the award of this process.

I do agree with you that these are issues that should be and will continue to be discussed.

DR. SELIGMAN: Any other comments, questions?

MR. BEATTIE: I appreciate your patience, and I want to thank you and your staff for putting up with us. But this is my opportunity to find out more. And doing it in a public forum allows other parties to hear these same issues and it becomes the public record.

And in the spirit of competition, it should result in a better contract and a better award for the

end user. I'm going to ask a few more, if I may.

In the RFP there is a question about 25 patients that reside in the United States?

DR. SELIGMAN: That's correct.

MR. BEATTIE: What consideration should be given to that patient population? That is number one.

Number two is, what if other persons would move and reside in the United States; what responsibility would the contractor have to provide care to those persons?

DR. SELIGMAN: In Appendix F, we have a table that summarizes patient location. There are 13 individuals in Hawaii, and 6 are on the Mainland, U.S. We called for -- let me refer you to this section. The answer is yes, some consideration should be provided, but I'm looking for the section here that refers to it.

Yes, it's on page 29128, "Methods by which medical services will be provided to those patients (approximately 25) who habitually reside in the United States, such as other medical care insurance options in lieu of awardee provided medical services." This is the column under the Section on Development of Documentation, No. 8.

I think that's pretty self explanatory. Basically, what we're asking the potential bidder to do

is to think about other options for either providing medical insurance or some other options to insure these people are provided care. They are part of our program, and since they are part of that program, we have the responsibility to insure that they are cared for.

MR. BEATTIE: Does the preferred contractor provide any health care services to that population?

DR. VASWANI: Well, we offer them the same services that we would. Because we go to the Island only, we have not yet spread out in the manner in which you are accustomed to. Mercy Hospital is all over the place. What we do is we send them a letter and ask them to come in for their annual checkup or semi-annual checkup. And some of the times they return, sometimes they don't.

At the present time it's not a requirement in the sense that we do take care of them whenever they come to the Islands.

DR. SELIGMAN: Does that answer your question?

MR. BEATTIE: As I understand it, it's by invitation. Brookhaven invites them to go to Honolulu?

DR. VASWANI: Yes. We offer them the same that we would offer all the other patients. We are

going to meet in the Marshall Islands, and the surveys and the admissions are going to be conducted twice a year. If they can't make it back there, they are close enough to Honolulu then we offer them the same services. They are essentially referred to Straub.

DR. SELIGMAN: Essentially, they receive the same letter that all the other participants receive in terms of participation, but they are somewhat limited by the venues in which they can receive their exam.

MR. BEATTIE: I have a question on utilization. The question is, do you keep utilization statistics? In terms of the number of patient visits, diagnoses, do you record that by the International Classification of Disease? Are those statistics available, and if they are, could an interested party have access to that information?

DR. VASWANI: Yes, we do follow the ICD-9 Coding System, and we are putting that into our computer system right now. So it should be available, but I'm not sure when.

DR. SELIGMAN: But if it would be helpful to know the number of exams that were conducted and the follow-up examinations or admissions, say, for the last 3 years and arrange a diagnosis that was seen as part of those admissions, that can certainly be provided to

all potential bidders. So that you know whether we're seeing diabetes or hypertension or a range of types of conditions. That will be made available to everyone.

MR. BEATTIE: I have a question on the development of documentation. It indicates that there should be written treatment protocols developed. I was wondering if Brookhaven has those protocols, existing protocols, or would this be new work? Thank you.

DR. SELIGMAN: What was the answer to that?

DR. VASWANI: It's kind of a new protocol.

DR. SELIGMAN: Such existing protocols at present do not exist.

MR. BEATTIE: Also, in the area of reporting, again, I asked this to be mindful of the administrative expenses. There is an annual summary report required. And, certainly, I think that's a good document to have so you can chronicle what your goals and objectives are, what you think we should accomplish in here.

One of the requirements I think is a good one is that the report be in Marshallese. And my question is to the government: Is there some way that the government could participate in translating the documents so that the contractor would not have that administrative burden? If we could creatively share that requirement, it certainly would decrease our

administrative overhead for that particular point in the RFP.

MAYOR MATAYOSHI: My question is, if you got the contract, will you be employing the local Marshallese people to do the job? As far as the matter of interpreting to Marshallese, it is pretty much important. But what is more important to us is people being alive.

MR. BEATTIE: Yeah. Again, I think our intention would be to hire qualified staff and to train people and to hire locally. That would be our intention. I guess my question is the administrative overhead and translating a very technical medical documents to the exacting specifications. I see that as a challenge.

I would just, you know, in working with partnership in the government would want to know about the resources that the government might be able to marshal to assist in that process. I'm just raising it as, maybe, a way government could be involved in handling that particular component and not placing that responsibility on the contractor, necessarily.

I mean we certainly could operationallize that, find somebody to do that. We can talk more at 3:30 about this.

DR. SELIGMAN: Senator Yamamura?

SENATOR YAMAMURA: Thank you, Dr. Seligman. The question that was raised by Greg Beattie on the translation, I brought up that question in the 1991 or '92 meeting here in San Francisco for the DOE to translate all those results from whatever to a more comprehensive level for our people to read. And that has already been done. It was done by the contractor.

I have other things to raise up here. It's really good to hear from Dr. Williams. I would like to raise some questions. Since, I already know about Mercy International and Brookhaven, would you please give us more or expound on your program in dealing with radiogenic and nonradiogenic patients? Have you had any experience on that?

DR. WILLIAMS: As you know, Nevada has been involved in radioactive testing for several years, and the population in southern Utah and in middle Nevada and also northern Nevada has been very extensively involved in radiation. So we see a lot of radiation related illnesses, thyroid, lymphomas, cancers. And my experience right now is mostly related to surveying women for breast cancer, but we see other cancers as well. I'm incorporated but I'm not a firm as big as some of these other firms that are offering to do this

work. I had to rely on some of the personnel at work for the Raytheon Company in the Marshalls before, and this opportunity came up.

I actually have not prepared -- it's very interesting to be here today to listen to all the concerns and all the questions that are raised because, I have not formally formulated any proposals. But this, hopefully, will be done in the next few days that are allotted. I just feel that all the questions that are been raised are questions that have been commonly encountered by myself by my experience with the Samoan Islands.

And as a Samoan and as a medical professional in Samoa, a lot of the concerns are the same concerns that I have faced when I was the surgeon there from '72 to '78. And presently, I'm in constant contact with the Islands, because I go there every year and take this group of physicians who volunteer to do work on the islands.

So that's a brief answer to your concerns. I could see where the concerns about translation, I think that shouldn't be much of a concern. Because if you use local people, a lot of the translation should be taken care of. I think that my intention would be to use the Marshallese and provide a forum by which

everyday care is taken care of by having the two gentleman who have worked there before available year round and then also provide for medical health with perhaps nurses and PA's and that sort of personnel.

So there, again, I may not be there all the time, but I will certainly make allowances to go there on the Islands and also gather some of my friends who have always, traditionally, volunteered in the past. I think that's about all I can say to answer your question.

SENATOR YAMAMURA: My next question is to Tom Bell. As you know, we've been seeing people from Utrik and all our communities. We have flown to Honolulu Straub Medical Clinic. I would like to know how many patients are being referred annually, approximately.

MR. BELL: Tom Bell with DOE. I don't have an exact number, but I think this year it's about around 17 people that have been referred.

DR. SELIGMAN: For 1997?

MR. BELL: 1997, yes. Last year I think it was more like 20.

DR. SELIGMAN: 1996?

MR. BELL: 1996. I can't tell you offhand what the mix of folks are between Rongelap and Utrik in the communities, but I think there are larger numbers

of Utrik people currently in the 133. So I would propose that a lot this year are probably patients.

SENATOR YAMAMURA: Greg brought up that question about the limited budget. As I'm aware, the 177 health care forum under the management of Mercy, they're operating on $2.0 million a year. We haven't received any. They addressed the tertiary care and in referring patients to Honolulu, they should suspend it. And I compliment the DOE and Brookhaven for referring patients in these populations of Utrik and Rongelap. Thank you.

DR. SELIGMAN: Any other comments, questions?

MR. LEWIS: I'm Redwin Lewis. I'm with Mercy International, also a question on documentation. We've talked about sharing budgeting information, but we're also interested in information about the annual summary report. Is there one that's currently being done for this program?

MR. BELL: Tom Bell, DOE. The annual summary report is about a 5 or 6 page report that is required by congress. Usually, we start formulating about August, and it's due in final in October each year. Congress wants it by the first of December.

The form has been stable, we just improve on the numbers. It's not a major undertaking. It's just

a method of apprising congress of how many folks have been taken care of and the costs involved. Yes, that could be shared.

MR. LEWIS: And could we have 5 years of those annual reports; is that possible?

MR. BELL: I certainly can do three; I think I can do the five.

MR. LEWIS: How about strategic plans, are those available as well?

MR. BELL: Strategic plans?

MR. LEWIS: Are they in a special issue?

MR. BELL: Strategic plans is a new concept in our office in the last year. We don't really have those in the past.

MR. LEWIS: Could I request that we have a page worth of the documentation that's requested of the contractors. Could we have, maybe, a comprehensive matrix on what is the new provision versus what is available by the DOE?

MR. BELL: I think many of these are new ideas that are being put on the track to provide more understanding of how the dollars are spent and how they're being allocated so that we can get a better feel for it, where we're putting dollars, what we're going to do in the future.

I think the answer is most of those are not available, but I'd have to go through them one by one to look.

MR. LEWIS: The ones that are available, could we have copies of those?

DR. SELIGMAN: I'm sorry. What was the request?

MR. BELL: The request, for the record, was for anything in the documentation that we're asking for that we have already provided ourselves in the process during the last couple of years, they would like copies of those.

DR. SELIGMAN: For example?

MR. BELL: Well, the annual report being one; many other things, strategy, long-term strategy, which we've never developed.

MR. LEWIS: An itemized price list as well.

DR. SELIGMAN: Is there such a document?

MR. UPDEGROVE: That would be something that the contractor would have to develop. Your prices for those things would be different than another contractor.

DR. SELIGMAN: In terms of -- I thought I heard a request in there regarding providing "a matrix" that describes the current program comparing that to

what we're requesting.

I think we're going to let all of you use the information that is currently contained within the Federal Register to construct your own. Our desire was to provide sufficient information about the current programs, how it's run, the structure, and what our expectations are of the future so that each of you could hopefully make that crosswalk yourself.

And I think my desire at this point in time is not to commit staff resources to do that.

MR. LEWIS: Going back to the intent of my question, if there are current reports that are available to include those as part of the admission?

DR. SELIGMAN: Yes, that would be fine. What it is beginning to sound like is that there are some supplemental materials that need to be put together regarding existing contracts, annual reports other information.

Let me ask my folks in contracting. My presumption is we could put together such a packet of material and send it out with the applications that are requested? Is that an appropriate way to do it?

MR. UPDEGROVE: I think so. We're also going to have a package of application forms. If you want those, we'll send that out, and we'll send out any

other supplemental information. I think it will probably take us a month or so to prepare all these various documents and answer all these questions and make sure that everybody gets that as a supplement to the Federal Register Notice. It won't be contained in the Notice.

Other questions, comments?

MR. BEATTIE: I know that the transcriptionist is going to be happy to hear that I don't know if I have any other questions or comments.

I would just like to invite Dr. Williams and Ms. Kekuna to contact us if they would like any additional information about the program that we operate in 177. Any questions as you develop your proposals, either contact myself or Redwin or we can contact the folks in the Marshall Islands. They are a wealth of information on what we do, what has transpired over the last 10 years in our operations.

And, finally, I want to thank the Marshall Islands and the DOE for giving us the opportunity to ask these questions this morning. Thank you.

MR. BELL: I just wanted to add to that to make clear to everyone, that all of our patients in the Rongelap-Utrik Community who have received acute exposure are also patients of the 177 Health Care

Program. That's why there is a big synergy between what we do and what they do. And we're looking in this whole process to relieve some of the pressure of the referrals that we normally send to them for nonradiogenic conditions, to somehow be filled by some of the capabilities the new bidder might able to provide to alleviate some of that impact on the 177 Program. But that's the way congress set up the two programs, and the intent was for nonradiogenic conditions to be referred back to the 177 Program.

So we're trying to creatively develop a process that works together as well and, certainly, shares a centralized record so that we're all aware of what's happening to a patient.

And I think you're well on the way to beginning to develop such a system. I appreciate that. Thank you.

DR. SELIGMAN: Any other final comments, questions? Let me take a quick moment to once again review the schedule from this point on.

As Gordon Benjamin mentioned, the representative from Rongelap, there's going to be a meeting here at 3:00 o'clock this afternoon with the two communities to meet with and discuss with the potential bidders. This room will be open at that

time, so avail yourself of that opportunity.

Once again, we will be accepting written comments to this proposed statement of work by August the 7th. The time to issue a final notice is sometime during the period of August 19 through the 31. Our hope is that the earlier we receive the comments, the earlier during this period we can issue our final notice.

After the issue of the final notice, we will schedule a site visit, and we'll be working with potential bidders for those who are interested in such a site visit. Our hope is that applications will be submitted during the month of September. And given that now there will be a site visit, there will be a 45-day period for the applicants to submit their applications from the time the final notice is published.

We hope that they will be due sometime either the end of September or at the latest in October, at which point the review process will begin.

I have no other comments other than to thank you all for being here. Thank you very much all the senators and mayors and the ambassador and all. Thank you for your comments and questions.

On a personal note, I'm very excited about

this process. I think this is a wonderful opportunity to take a program that has been going on for 40 years and shift it and change it in a way that suits and meets the needs of the population, and particularly, the individual patients to the program as it moves on.

Rick, do you have any final comments?

MR. UPDEGROVE: I don't have anything.

DR. SELIGMAN: With that, we shall adjourn.

Again, transcripts of this session will be available within 10 days. And, Neil, do people have to make a formal request for the transcript? How are you going to handle that?

If you would like such a transcript, please advise Neil.

MR. BARSS: Yes, just advise me that you like a transcript and I'll get it out to you.

DR. SELIGMAN: You could advise Neil by telephone, letter, or E-mail.

And, again, thank you to the Oakland Operations Office, in particular, to the manager, Mr. Domagala, and to the staff that has supported us here.

Thank you very much.

(Whereupon, the meeting was adjourned at 12:31 p.m.)